

**City of Richmond Department of Social Services
Office of Comprehensive Services**

Principal Agreement

Introduction

This Principal Agreement ("Contract") is intended to address and contain all of the terms, parameters, guidelines, and expectations that must be met by any provider of services to any and all children under the care and responsibility of the City of Richmond's Department of Social Services. In order for this Contract to be valid and enforceable, it must be signed by the Director of the City of Richmond Department of Social Services or the Director's designee, the Comprehensive Services Act Office, and the Provider.

This Contract is effective as of this day of 2002, between the City of Richmond's Department of Social Services ("**the Buyer**") and ("**the Provider**"), through the Office of Comprehensive Services and shall expire at the close of business on day of 2003.

This is a term agreement for requirements and does not involve a definite financial obligation on the part of the Buyer, although the Buyer shall use this contract for the limitation of procurement of services as seen fit and or specified.

This Contract may be terminated by either party with thirty (30) days written notice.

1. Adherence to Law. This Contract is subject to the provisions of the Code of Federal Regulations, the amendments thereto, and relevant state and local laws, ordinances, regulations and pertinent health and behavioral health accreditation agencies / organizations. The Buyer may modify this Contract to comply with any requirements mandated by federal, state or local law by giving written notice of said modification to the Provider.

2. Choice of Law and Forum. This Contract shall be governed in all respects, whether as to validity, construction, capacity, performance, or otherwise, by the laws of the Commonwealth of Virginia and any action, administrative or judicial, brought to enforce any provision of this Contract shall be brought only in the City of Richmond, Virginia. The Provider accepts the personal jurisdiction of any court in which an action is brought pursuant to this Contract for purposes of that action and waives all defenses to the maintenance of such action.

3. Specific Interpretations.

A. **Waiver.** The failure of the Buyer to enforce at any time any of the provisions of this Contract, or to exercise any option which is herein provided, or to require at any time any performance by the Provider of any

of the provisions hereof, shall in no way affect the validity of this Contract or any part thereof, or the right of the Buyer to thereafter enforce each and every provision.

- B. ***Remedies Cumulative.*** All remedies afforded in this Contract shall be construed as cumulative, that is in addition to every other remedy provided herein or by law.
 - C. ***Severability.*** If any part, term, or provision of this Contract is held by a court of competent jurisdiction to be in conflict with any state or federal law, the validity of the remaining portions or provisions shall be construed and enforced as if this Contract did not contain the particular part, term or provision held to be invalid.
 - D. ***Captions.*** This Contract includes the captions, headings and titles appearing herein for convenience only, and such captions, headings and titles shall not affect the construal, interpretation or meaning of this Contract.
 - E. ***Contract Construal.*** Neither the form of this Contract, nor any language herein, shall be interpreted or construed in favor of or against either party hereto as the sole drafter thereof.
4. **Purchase of Services Order.**
- A. ***Requirement for PSO.*** A Purchase of Services Order (PSO) shall be issued for any and all specific services that are to be provided by the Provider to any child under the supervision or authority of the Buyer. No services shall be administered to a child under the supervision or authority of the Buyer without a PSO authorizing such services signed by the Director of the City of Richmond Department of Social Services or the Director's designee and the Provider.
 - B. ***Contents of PSO.*** The PSO shall define the terms of purchase and service delivery to a specific child. The PSO shall include the proposed objectives, the term of service, and the type of services to be rendered to the child. The child's Individual Family Services Plan shall be considered by the Provider and the Buyer in determining the proposed objectives, the term of service and the types of services to be rendered to the child.
 - C. ***Charges under PSO.*** The Provider agrees to charge the Buyer for only those services described in the PSO and in accordance with the Billing provisions of Section eight (8) of this Contract.
 - D. ***Adjustment or Termination of PSO by Buyer.*** The Buyer may adjust or terminate the PSO at any time as a result of changes in the child's eligibility for or progress with services or if the Buyer deems it to be in the child's best interest to terminate the PSO. In the event that the Buyer becomes unable to honor any or all approved PSOs for causes beyond the Buyer's reasonable control, including, but not limited to, failure to receive promised funds from federal, state, or local government sources or donor default in providing matching funds, the Buyer may terminate or modify any or all PSOs issued pursuant to this Contract as necessary to avoid delivery of services for which the Buyer cannot make payment. The

Buyer shall notify the Provider immediately as soon as it becomes aware of such a cause for termination.

- E. ***Termination of PSO by Provider.*** The Provider may only terminate a PSO prior to its expiration in the event of the child subject of the PSO committing an infraction considered a Reportable Incident as defined in Section twelve (12) of this Contract and the Provider having followed the notice requirements stated therein. In the event of termination of a PSO, all reasonable efforts will be made to give the Buyer fifteen (15) days written notice prior to termination of services to the child. Such written notice shall include the specific reason(s) for terminating services to the child.
5. **Service Quality.** The Provider shall provide services at or above the quality standard in the industry at which the service is provided. The description or evaluation written in the Service Fee Directory of the Profile of Services and Prices (Appendix A) shall set forth the minimum level of service acceptable.
- The Provider shall permit representatives of the Buyer to conduct program and facility reviews to assess service quality and compliance with the Individual Family Service Plan of any child under the supervision or authority of the Buyer. Such reviews shall include, but are not limited to, meetings with consumers, review of services records, review of service policy and procedural issuance, review of staffing ratios and job descriptions, review of financial records pertaining to any child under the supervision and authority of the Buyer, and meeting with any staff directly or indirectly involved in the provision of services to any child under the supervision or authority of the Buyer. Such reviews may occur as deemed necessary by the Buyer and may be unannounced.
6. **Service Rates.** The rates for services provided to a specific child by the Provider shall be set forth in the PSO for the child. The Provider may not increase the rate for any service described in a PSO during the term of the PSO unless the PSO provides for an automatic rate increase option, in which case the rate may only be increased in the initial month of the Buyer's fiscal year and must be agreed to in writing by the Buyer.
- The Provider shall provide to the Buyer written notice of any planned rate increase one hundred and twenty (120) calendar days prior to the initial month of the Buyer's next fiscal year. Such written notice shall contain the justification for the increase and shall be submitted in triplicate to the Buyer's Comprehensive Services Act Manager.
7. **Medicaid.** The Provider shall file for Medicaid reimbursement for any Medicaid eligible services provided by the Provider to any Medicaid eligible child under the supervision or authority of the Buyer. The Provider shall be responsible for adhering to all Medicaid requirements, both service and fiscal. Any costs associated with improper management of Medicaid cases on the part of the provider shall be the sole responsibility of the Provider. The Provider shall provide the Buyer with documentation specifying the status of initial Medicaid

approval within twenty-four (24) hours (one working day) of receipt of such by the Provider. All other documentation specific to Medicaid received by the Provider shall be provided in writing to the Buyer within forty-eight (48) hours (two working days) by the Provider. The Buyer shall not be responsible for payment of Medicaid eligible services that are denied by Medicaid for reasons attributable to fault of the Provider.

8. **Billing.** The Provider shall bill the Buyer each month for all services rendered to a child pursuant to a PSO. The Provider shall bill the Buyer for any and all services provided within thirty (30) days of the date on which the service was provided. The Buyer agrees to mail payment for all correct invoices within forty-five (45) days of receipt of the invoice. In no case, shall the Buyer be obligated to pay for services rendered to a child when the Provider fails to submit an invoice to the Buyer for such services within forty-five (45) days of the date of the service.

The Provider's invoice shall list the services provided and shall specify the name of the child to whom each service was provided. The amount billed for services shall be the amount agreed upon in the PSO authorizing services to the child to whom the service was provided. The Provider agrees to bill and the Buyer agrees to pay for only those services authorized by the PSO for a specific child.

The Provider shall bill the Buyer for the actual number of hours and one minute increments of service provided to the child.

In the event of an absence of a non-residential child for a previously scheduled service, the Buyer agrees to pay to the Provider the service rate agreed to in the PSO for the child for up to twenty such occurrences per Buyer's fiscal year.

The Buyer shall return incorrect invoices without payment to the Provider for correction within forty-five (45) days of receipt of the invoice.

Within fifteen (15) days of receipt of the returned invoice, the Provider shall correct any incorrect invoice and re-submit the corrected invoice to the Buyer for payment. If the Provider finds that the invoice is correct, the Provider shall forward a written explanation for the invoice with supporting documents to the Buyer within fifteen (15) days of receipt of the returned invoice. If the Provider's notification and supporting evidence are not received by the Buyer within the fifteen (15) day limit, then the Buyer shall not be obligated to make payment upon any disputed portion of the invoice. The Provider shall immediately notify the Buyer of any overpayment for services by the Buyer.

9. **Accounting and Record Keeping.** The Provider shall maintain an accounting system and supporting records adequate to assure that claims for funds are in accordance with applicable state, federal and appropriate accrediting agency requirements. Such supporting records shall reflect all direct and indirect costs of any nature expended in the performance of this Contract and all income from any source. The Provider shall also collect and maintain fiscal and statistical data

pursuant to the servicing of this Contract and any PSO for a child under the supervision or authority of the Buyer on forms designated by the Buyer.

The Provider agrees to retain all books, records, and other documents relative to this Contract and any PSO for a child under the supervision or authority of the Buyer for five (5) years after any final payment pursuant to this Contract and any PSO for a child under the supervision or authority of the Buyer or as long as necessary for purposes of any unresolved state or federal audit. The Buyer, its authorized agents, and state or federal auditors shall have full access to and the right to examine any of said materials during an audit.

10. **Confidentiality.** Any information obtained pursuant by the Provider pursuant to this Contract concerning applicants, a child under the supervision or authority of the Buyer, or such child's family members shall be treated as confidential. Use or disclosure of such information by the Provider shall be limited to purposes directly connected with the Provider's responsibility for services under this Contract. Both parties further agree that this information shall be safeguarded in accordance with the provisions of the Code of Virginia, as amended, and any other relevant provisions of state or federal laws.

11. **Reports and Meetings.** The Provider shall immediately submit written progress reports to the Buyer indicating significant deviations from the anticipated progress agreed to by the Provider and the Buyer in the PSO for a child under the supervision or authority of the Buyer upon becoming aware of such deviation. The Provider shall also submit progress reports to the Buyer monthly for each child under the supervision or authority of the Buyer. Monthly progress reports should be prepared in duplicate with one being sent to the case manager and one to the CSA Office. If the Provider fails to provide the progress reports for a child according to the timeline agreed to herein, the Buyer may withhold payments to the Provider for that child until such reports are received.

The Provider shall submit to the Buyer, in duplicate, a written Comprehensive Individualized Treatment Plan (CITP) authorized by the Family Assessment Planning Team (FAPT) / Case Review Team (CRT) for the child based upon the child's Individual Family Services Plan. The Provider shall send its initial CITP to the Buyer within the first seven (7) days of treatment in the case of residential services and before the fourth treatment session in the case of non-residential services.

The initial CITP shall include, but not be limited to, the goals and objectives and the specific measures required to fulfill the listed objectives. The initial CITP shall identify obstacles such as behaviors, beliefs and practical realities that could negatively effect the child's achievement of each of the listed goals and objectives. The Provider shall identify the obstacles from assessments and evaluations performed on the child and submitted to the Provider by the Buyer.

Revisions to the initial CITP shall be written in progress reports submitted to the Buyer by the Provider according to the schedule detailed in the child's PSO. Disputes regarding the child's CITP shall be resolved at a meeting of the

child's FAPT/CRT. Upon two (2) weeks notice of a meeting of the FAPT/CRT for a child, the Provider shall ensure that a representative with personal knowledge of the progress of the child and authority to bind the Provider attends and participates in such meeting.

Upon notice to the Provider by the Buyer of a special community or family meeting that pertains to a child the Provider shall where possible ensure that a representative of the Provider attends such meeting with the child. When a representative of the Provider is not able to attend a meeting upon forty-eight (48) hours notice from the Buyer the Provider shall furnish the child's caseworker and other appropriate staff with written notification of the expected absence and the reason for such absence.

The Provider shall detail the child's progress in achieving the CITP and the Individual Family Services Plan in the progress reports submitted to the Buyer by the Provider. The Provider's progress notes shall chronicle the course of care for the child and provide a timeline for completion of each goal and objective. Changes in a target date shall be clearly noted in the progress notes.

The Provider shall detail in the progress notes all medications prescribed to the child, a record of administration of each medication, and the desired effects from the child's intake of each medication. All special diets and limitations on activities, visitations, and freedoms shall be specified in the progress notes with their corresponding desired impacts on the child.

12. **Reporting Requirements.** The Provider agrees to timely report to the Buyer all Reportable Incidents, as defined below, involving a child under the supervision or authority of the Buyer. The Provider shall provide oral notice of the Reportable Incident to the child's caseworker within (8) hours of the occurrence of a Reportable Incident and shall follow the oral notice with a written report of the incident within twenty-four (24) hours after the occurrence of such Reportable Incident.

The requirement of an oral report shall be satisfied by a telephone call to the child's caseworker's direct telephone line and notifying the caseworker of the Reportable Incident. In the event the telephone call is not answered, the requirement shall be satisfied by leaving the oral report on the voicemail of the caseworker's direct telephone line. The requirement of a written report shall be satisfied by sending a report via facsimile to the child's caseworker.

The Provider agrees to include the following information in all oral and written reports of a Reportable Incident:

- (1) The child's name;
- (2) The reporting individual's name and telephone number;
- (3) The name of the reporting facility;
- (4) The date and time of the report;
- (5) A description of the incident; and
- (6) The action the facility intends to take with respect to the incident.

Such incident shall be deemed timely reported for purposes of this Contract only when all of the above measures have been taken by the Provider.

The Provider shall immediately report to the state CPS Hotline any and all occurrences of an incident of AWOL or a medical emergency that requires consent for treatment of surgery.

A Reportable Incident shall mean any of the following occurrences:

- (1) Acts of aggression toward staff or peers;
- (2) Property destruction;
- (3) Any known criminal violation;
- (4) Off grounds or out of sight or supervision for more than two (2) hours or AWOL after three (3) hours;
- (5) Non-compliance with medication or errors in medication;
- (6) In-school or out-of-school suspension;
- (7) Suspicion of drug use, testing positive for drug use, or any known incidents of drug use;
- (8) Suspicion of sexual activity or any known sexual activity with staff or another child being served by the Provider;
- (9) Any medical condition resulting in the trip to the emergency room or hospital;
- (10) Any acts of non-accidental self-harm behavior including suicidal gestures;
- (11) Termination from employment of a child being served by the Provider;
- (12) Incidents of contact or visitation with family members or others without the Buyer's approval; and
- (13) Any incident the Provider believes warrants the removal of the child from the Provider's facility.

13. **Transportation to Court.** The Provider agrees to transport a child in the care of the Provider to all scheduled court hearings and to ensure the child's timely arrival at such hearings unless exigent circumstances exist that prevent the Provider from providing such transportation. The Buyer agrees to provide the Provider with notice of a scheduled court date at least ten (10) business days prior to such date. The Provider agrees to notify the Buyer at least three (3) business days prior to a scheduled court date of any inability on the Provider's part to transport a child to a scheduled court hearing.

The Provider further agrees that a shortage of staff does not constitute exigent circumstances for purposes of this Contract. The Provider agrees to bill the Buyer for costs of transportation in accordance with the Billing provisions agreed to in this Contract.

14. **Grievances.** In the event that a child under the supervision or authority of the Buyer submits a complaint to the Buyer concerning the Provider, the Provider shall promptly provide all verbal or written information or documents within its control relevant to such complaint to the Buyer upon a request by the Buyer for such information.

15. **Subcontracts.** The Provider shall not enter into any subcontract for any of the services approved under this Contract without obtaining the prior written approval of the Buyer. Subcontractors shall be subject to all of the provisions, requirements, and conditions of this Contract and any PSO signed pursuant to this Contract. The Provider shall be solely responsible for the performance of any of its subcontractors.
16. **Not Employees.** The Provider's performance under this Contract is as an independent contractor, and neither the Provider nor its employees, assignees or subcontractors shall be deemed employees of the Buyer while performing under this Contract.
17. **Insurance.** The Provider shall at its sole expense obtain and maintain during the term of this Contract the insurance policies listed and required herein, naming the Buyer as an additional insured, and shall furnish the Buyer with a certificate of insurance prior to commencing work upon any PSO signed pursuant to this Contract. Any required insurance policies must be effective prior to the provision of any services or performance by the Provider under this contract and such policies cannot be cancelled without ninety days written notice to the Buyer. The following insurance is required:
 - A. Commercial general liability insurance, written on an occurrence basis which shall insure against all claims, loss, cost damage, expense or liability from loss of life or damage or injury to person or property arising out of the Provider's performance under this Contract. The minimum limits of liability for this coverage shall be one million dollars (\$1,000,000.00) combined single limit for any one occurrence.
 - B. Contractual liability broad form insurance shall include the indemnification obligation set forth in this contract.
 - C. Workers' compensation insurance covering Provider's statutory obligations under the laws of the Commonwealth of Virginia and employers liability insurance shall be maintained for all its employees engaged in work under this contract. Minimum limits of Liability for employers liability insurance will be \$100,000 for bodily injury by accident each occurrence, \$100,000 bodily injury by disease (policy limit) and \$100,000 Bodily injury by disease (each employee). With respect to Workers' compensation coverage, the Provider's insurance company shall waive rights of subrogation against the Buyer, its officer, employees, agents, volunteers and representatives.
 - D. Automobile liability insurance shall be at least (\$1,000,000.00) combined single limit applicable to owned or non-owned vehicles used in the performance of any work under this contract.

- E. Professional liability insurance with a minimum of liability of (\$1,000,000.00).

The insurance coverage in amounts set forth in this Section may be met by an umbrella liability policy following the form of the underlying primary coverage in a minimum amount of (\$1,000,000.00). Should an umbrella liability coverage policy be used to satisfy the requirements of this section, such coverage shall be accompanied by a certificate of endorsement stating that the policy applies to all of the above types of insurance.

18. **Indemnity.** The Provider shall indemnify, defend and hold harmless the City, its officers, agents and employees from and against any and all losses, liabilities, claims, damages and expenses including court costs and reasonable attorneys' fees arising from any material default or breach by the Provider of its obligations specified in this Contract, as well as all claims arising from errors, omissions, negligent acts or intentional acts of the Provider, its officers, agents employees and subcontractors.
19. **Force Majeure.** Neither party hereto shall be held responsible for delay or failure to perform hereunder when such delay or failure is due to acts of God, flood, severe weather, fire, epidemic, strikes, the public enemy, legal acts of public authorities or delays or defaults of public carriers, which cannot reasonably be forecast or provided against.
20. **Miscellaneous.**
- A. ***Additional Provisions.*** Any document referred to in this Contract but not attached hereto is hereby incorporated in this Contract by reference
 - B. ***Merger.*** This Contract, including all documents incorporated herein, constitutes both a complete and exclusive statement and the final written expression of all the terms of this Contract and of the entire understanding between the Provider and the Buyer regarding those terms. No prior written agreements or contemporaneous or prior oral agreements between the Provider and the Buyer regarding this Contract's subject matter shall be of any effect.
 - C. ***Modification.*** This Contract shall not be amended, modified, or otherwise changed except by the written consent of the Provider and the Buyer given in the same manner and form as the original signing of this Contract.
 - D. ***Order of Precedence.*** Where there exists any inconsistency between the provisions of this Contract and the provisions other documents that have been incorporated into this Contract by reference or otherwise, the provisions of this Contract shall control.

Signatures:

Name and Title

Provider

Date

Name and Title

Buyer

Date

Name and Title

Buyer

Date